WEEKLY ECONOMIC REVIEW

September 8, 2006

In August, employment in Alberta increased by 7,700 from the previous month and by 90,700 from a year ago. Although Alberta represents only 10 per cent of Canada's working age population, it accounted for 40 per cent of all jobs created in Canada since the start of this year, exceeding Ontario's contribution of 35 per cent. Despite strong gains in employment, the unemployment rate increased to 4.2 per cent. It appears that more people coming to the province are easing labour market conditions. August hourly earnings in Alberta rose by 8.3 per cent over the past year, more than double the national growth of 3.7 per cent.

In August, employment in Canada fell by 16,000 and umemployment rate increased slightly to 6.5 per cent.

US employment rose by 128,000, but the unemployment rate dipped by 0.1 percentage point to 4.7 per cent.

The Bank of Canada left the overnight rate unchanged at 4.25 per cent and emphasized that it is consistent with achieving the inflation target over the medium term.

Cdn Dollar (C¢/US$)

Sep	8, 2006	89.4¢
Sep	1, 2006	90.5¢
2006-07 YTD		89.2¢

WTI Oil $US/bbl

Sep	7, 2006	$67.32
Aug	31, 2006	$70.26
2006-07 YTD		$71.77

Nymex Natural Gas C$/mcf*

September Contract

Sep	8, 2006	$6.43
Aug	31, 2006	$6.50

*Estimate based on Nymex Futures Market Price

In assessing 175 countries, the World Bank ranks Canada 4th, after the U.S, with Singapore being the best place to run a business.

In August 2006, the average number of rigs drilling in Alberta declined from August 2005 as lower natural gas prices are reducing demand for shallow gas drilling. Natural gas prices have declined 21 per cent since March 30, 2006.

Oil prices dropped about US$2/bbl as robust supplies in major consumer nations and a sluggish hurricane season ease supply fears.

Economic Indicators Released this Week	Reference Period	Month/Previous Month	Month/Previous Year's Month	Year-to-date
Employment	**August**			
Alberta	+7,700	0.4%	5.1%	4.1%
Canada	-16,000	- 0.1%	1.8%	2.0%
United States	+128,000	0.1%	1.3%	1.4%
Unemployment	**August**	**Percent Change**	**Percent Change**	
Alberta	4.2	0.6	0.3	3.5
Canada	6.5	0.1	0.0	6.4
United States	4.7	- 0.1	0.2	4.7
Building Permits ($ Millions)	**July**			
Alberta	1,109	-8.8%	34.1%	32.4%
Canada	5,266	-2.3%	8.0%	9.1%
Rigs Drilling	**August**			
Alberta	391	-11.6%	-7.6%	12.9%

Source: Statistics Canada, U.S Bureau of Labour Statistics

[1]*Year-to-date 2006 compared to the same time period in 2005. For example: January-August 2006 versus January-August 2005*